

Chapter Fifteen

Discrepancy Reporting

Introduction

In a system as large and diverse as the Department of Defense (DoD) logistics system, errors are bound to happen. The DoD recognizing this fact has set up a system to quickly validate the problem and respond to the customer, while documenting trends to preclude recurrence of the discrepancy. This chapter will discuss the various discrepancies and also defines some discrepancies that are reported differently for foreign military sales (FMS).

Discrepancies

A discrepancy is a difference or variance from a standard. If something does not meet the standard in either quantity or quality, a discrepancy exists. The U.S. government's (USG) intention is to resolve the discrepancy and ensure that every effort is made to provide the correct defense article or service in the quantity and quality agreed to in the FMS letter of offer and acceptance (LOA).

A deviation from a standard can be caused in any number of ways-damage to the shipment, wrong items, shortages, and many others. Considering the large number of shipments processed through the security assistance program, some discrepancies can be expected. When we seek the cause, we find it usually involves some human error or oversight. Anyone in the long line of people processing the transaction, its transfer, shipment, or receipt may have inadvertently contributed to the discrepancy.

Policy and Procedure

It is the goal of the U.S. government to efficiently process reported discrepancies as soon as possible. Where it is determined that the U.S. government is responsible, the Implementing Agency will make a financial adjustment for the recipient country. Furthermore, it is policy that the U.S. government is not responsible for discrepancies occurring after title transfer to the FMS customer. An exception to this is a discrepancy in billing, which normally occurs after title has passed to the customer. The basic policy and procedure for reporting discrepancies is standardized throughout the military departments using the Standard Form (SF) 364, *Report of Discrepancy*. This SF 364 is the same form used by all U.S. military departments to report discrepancies related to item and packaging discrepancies.

Causes of Discrepancies

There are many different types of supply discrepancies. For ease of understanding, discrepancies are normally grouped into five categories:

- Shipping or storage activity
- Carrier or transportation system
- Manufacturer
- Erroneous billing
- Erroneous computation of administrative or accessorial charges

There are also three discrepancies that have different reporting requirements for FMS. These three special groups are:

- Transportation Discrepancies (caused by the carrier or transportation system),
- Product Quality Deficiencies (caused by the manufacturer), and
- Financial Discrepancies (caused by erroneous computation of administrative or accessorial charges).

Supply Discrepancies

Supply discrepancies (those caused by the shipping activity, by the manufacturer, or by a mistake in billing) are reported by the country or freight forwarder to the appropriate International Logistics Control Organization (ILCO) using a SF 364, *Report of Discrepancy*.

Shipment Discrepancies

This may include: shortages, overages, damage, insufficient remaining shelf-life, incorrect items, and misdirected shipments. Oftentimes, unnecessary Supply Discrepancy Reports (SDRs) are submitted in these areas because the country does not completely understand the U.S. supply system or fails to coordinate with its freight forwarder prior to submission of the SDR.

Discrepancies Caused by the Manufacturer

Product quality deficiencies are defects or nonconforming conditions, which limit or prohibit the item from fulfilling its intended purpose. These include deficiencies in materiel, manufacturing, and workmanship, e.g., failure to put a gasket in a carburetor. A latent defect is defined as a deficiency in an article which affects the operability and is not normally detected by examination or routine test, but which was present at time of manufacture.

Substitute Items

SDR SF 364s are often submitted for incorrect items because the shipping activity did not have a specific item in stock and, instead, shipped an authorized substitute. Although the item will often perform as well as the requested item, the customer submits an SDR because it is not the same stock number as the item ordered. Again, further research of previously received status documentation is needed. If the customer does not desire a substitute, the appropriate advice code should be placed on the original requisition. There are times, however, when human error is involved and an incorrect item is shipped. If an item has not been identified as a suitable substitute for, or interchangeable with, the original item ordered, then an SDR is appropriate.

Shelf Life Items

A shelf life item is an item of supply possessing deteriorative or unstable characteristics to the degree that a storage time period must be assigned to ensure that it will perform satisfactorily in service. All shelf life items are classified as one of the following two types:

- TYPE I. An individual item of supply, which is determined through an evaluation of technical test data and/or actual experience, to be an item with a definite non-extendable period of shelf-life. One exception is Type I medical shelf life items (FSC 6505), which may be extended if they have been accepted into and passed testing for extension through the DoD/FDA Shelf Life Extension Program (SLEP).
- TYPE II. An individual item of supply having an assigned shelf life time period that may be extended after completion of visual inspection/certified laboratory test, and/or restorative action.

DoD shelf life policy requires that materiel will be issued/shipped on a First In, First Out (FIFO) basis and shall be the oldest within the condition code specified.

However, DoD recognizes that some FMS shipments may require a longer transportation time and has provided the following exceptions for FMS customers:

- FMS requisitions will be issued in accordance with Last In, First Out (LIFO) issue policy. LIFO issue of non-extendable Type I shelf life items will be accomplished by issuing materiel with the latest date of expiration; extendable Type II items will be issued by the latest date of manufacture, date of cure, date of assembly, or date of pack (subsistence only) regardless of the number of extensions. For Air Force-managed items, Condition Code B materiel may be issued for priority 01-08 Air Force FMS requisitions.
- Items with a Shelf Life Code (SLC) of 24 months or greater, issued to satisfy FMS shall be in condition code A, with a minimum of 12 months shelf life remaining. Requisitioners have the option to waive the 12-month minimum by submitting exception requisitions (A05).
- Items with a SLC of less than 24 months are not subject to the 12-month minimum. However, they must be issued from condition code A assets, unless the customer specifies that other than condition code A materiel is acceptable.

Shelf life extensions for items/materiel in the custody of the FMS customer can be found by contacting the USG security assistance or international program offices having responsibility over the FMS case. The office can access the DoD Shelf Life Extension System for applicable data and extension test results.

For FMS shipments, all boxes containing multiple items (whether related or unrelated) should be marked as multi-packs. In addition to any shelf life markings, the words, CONTAINS SHELF LIFE ITEMS, shall be placed below the identification markings on multi-packs containing shelf life materiel.

Improper packaging

SDRs may be submitted for materiel received in damaged condition if the damage is the result of improper preservation, packing, marking, loading, handling, or storage provided prior to title transfer. SDRs will not be accepted for damage caused by the carrier. The purchasing country, or his representative, is responsible for processing claims against the carrier for any damage that occurs during shipment. The freight forwarder will report these discrepancies to the DoD shipping activity with a letter or memorandum. The shipping activity will use these reports to initiate tracers or damage claims with the inland CONUS carrier using the SF 361, *Transportation Discrepancy Report (TDR)*, process described later in this chapter. A large number of SF 364s submitted for total non-receipts indicate a potential problem at the freight forwarder's facility. When DoD researched these claims for missing shipments,

many items were found at the country's freight forwarder awaiting shipment. If non-receipt is suspected, countries should initiate tracer actions in accordance with *Security Assistance Management Manual (SAMM)*, Section C6.4.9. Customers submitting SF 364s for non-receipt are now required to provide documentation from the freight forwarder indicating that no materiel has been received on the applicable requisition and transportation control number. The Military Department (MILDEP) International Logistics Control Organization (ILCO) will deny any non-receipt SDRs that do not attach this documentation.

Billing Discrepancies

A billing discrepancy involves materiel which is received as ordered, and with proper accompanying documentation, but the charge is incorrectly reflected on the quarterly billing statement provided by Defense Finance and Accounting Service - Denver Center (DFAS-DE). These are usually duplicate charges or omissions from the bill. The customer will usually identify these problems by using the FMS Delivery Detail Listing provided as part of the quarterly billing statement.

Many times, SDRs are submitted for shortages because there was a partial shipment of the quantity requested. Such shortages are often identified by researching the supply status received prior to the shipment or by inspecting the shipping document to see if the items received are partial shipments. If a customer receives a partial shipment, further research is required to see if the remaining items were previously received or if they are still due-in to the country.

Another problem is caused by the use of multi-pack shipments. This is a packaging method whereby many different items are, for economic reasons, packed and shipped in a single container. Often the documentation on the outside of the crate or box identifies only the document used to track the container. Inside, there may be 20 to 30 small items consolidated in the shipment which may be individually accounted for by the foreign customer.

Customers often believe there is a shortage or total non-receipt of an item is when their reconciliation documents shipped to the customer show that an item is shipped, but the freight forwarder has not yet sent the item to the country.

Submission of Supply Discrepancy Notifications

To determine if a suspected discrepancy should be reported, a step-by-step process is recommended.

First, the customer should determine if the suspected discrepancy is, in fact, valid. The monetary limitation is \$200 for any LOA implemented on or after 1 June 1992. Supply Discrepancy Reports (SDRs) will only be processed by the MILDEP when the estimated value is \$200 or greater. This minimum value includes the value of the item plus any transportation and handling costs. Purchasers are encouraged to submit SDRs regardless of the dollar value so that problems can be documented, but only those over the minimum dollar value will be reviewed for possible compensation. Every effort must be made to impress upon purchasers the importance of reporting discrepancies as soon as possible, but no more than one year after shipment (or in the case of claims of non-shipment or non-receipt, one year after shipment or billing, whichever is later).

It must be decided whether the resolution of a reported discrepancy is the responsibility of the shipper (U.S. government) or the carrier. If a carrier discrepancy

is suspected, claims should immediately be filed directly with the carrier, as a carrier's liability is terminated after nine months from the date of shipment. If the discrepancy is a shipper or billing responsibility, a SF 364, *Supply Discrepancy Report (SDR)*, should be prepared and forwarded to the appropriate ILCO for initial processing. Table 15-1 provides a decision table to assist the purchaser country in determining the appropriate action to be taken with respect to the gamut of discrepancies that might be encountered. Table 15-1 illustrates the processing actions/times associated with SDR submissions. Guidelines on the source of funding for the payment of valid claims can be found in the SAMM, Table C6.T5.

Table 15-1
Decision Table for SDR Submissions

<u>Discrepancy</u>	<u>Action</u>
Transportation: Packages are missing or damaged when received.	Inspect the shipping manifest to insure that cargo is missing and/or was not damaged when picked up by carrier. If DTS is the carrier, contact U.S. military representative and have the SAO submit a SF 361 (TDR) If not a DTS shipment, immediately submit a claim with the carrier.
Financial: Accessorial or administrative charges are computed incorrectly	Army/Navy: Submit a letter directly to DFAS-DE explaining the deficiency and requesting correction. Air Force: Submit a letter to AFSAC explaining the deficiency and requesting correction
Quality: Item is limited or prohibited from performing properly due to workmanship, materiel, etc., and the item was purchased using FMS.	Submit SF 364 (SDR) and all supporting documentation to appropriate ILCO.
Billing: Item is billed erroneously on the quarterly statement (duplication, etc.).	Submit SF 364 (SDR) and all supporting documentation to appropriate ILCO.
Shipping: <ul style="list-style-type: none"> • When there is an overage • An incorrect item • A shipment misdirected to you but intended for someone else • An item is damaged but the container is not and the 	Research status received before arrival of shipment to insure there has not been a partial cancellation, substitution, or split shipment. If appropriate, submit SF 364 (SDR) and all supporting documentation to appropriate ILCO. Take photographs if possible,

item was shipped U.S. Postal Service or damage was caused by the way item was packaged (improper bracing, marking, etc.)

make drawings etc., and submit SF 364 (SDR) and all supporting documentation to appropriate ILCO.

The Element of Time

Supply Discrepancy Reports (SDRs) must be submitted within one year of the date of the title transfer/date of shipment. Therefore, it is imperative that the customer inspect each delivery upon receipt to ensure that it is the correct item they have received the correct amount and it is in good condition. If there is a discrepancy with the shipment, the customer must submit the SDR within one year from the time the item left the depot/manufacturing facility. In the event that a customer fails to receive an entire shipment, but is billed for the original amount ordered, the customer has one year from the date on the DFAS-DE quarterly billing statement(s) (DD Form 645) on which he was billed for the shipment. Refer to Chapter 18 for further information regarding quarterly billing statements.

The constraint of time is not applicable in the case of a latent defect, which is defined as a defect which exists at the time of acceptance, but which cannot be identified by a reasonable inspection. Earlier Chapter 10 provides additional information about latent defects.

Transportation Discrepancies

Transportation discrepancies occur when there is loss or damage to an item that can be attributed to the transporter, e.g., loss of a crate or package, or a hole put through a container by a forklift during loading. These types of discrepancies are usually easy to detect by a visual inspection of the containers or by insuring the number of items received matches the carrier's shipping manifest for the number of items shipped. If a container was damaged when the carrier picked it up from the shipping activity, the damage should also be reflected on the manifest. Transportation discrepancies are normally handled by filing a claim with the carrier.

Transportation discrepancy reporting procedures apply to any security assistance shipment made within the Defense Transportation System (DTS). This includes FMS shipments to overseas destinations and Ports of Debarkation (PODs) [Delivery Term Codes (DTCs) 7, 9, G, and J], to DoD continental United States (CONUS) Ports of Embarkation (POEs) (DTCs 8, B, and C) and to DoD/USG CONUS-located activities and contractors (DTC 2). Refer to earlier Chapter 14 for further information on delivery term codes. For overseas shipments, when the carrier is DTS, the country should contact the Security Assistance Office (SAO), the Defense Attaché or the closest U.S. military representative. That individual then submits an SF 361, *Transportation Discrepancy Report (TDR)*, to the supporting Surface Deployment and Distribution Command (SDDC) office. If there is no U.S. military representative available in country at the time a DTS shipment is received, it may be appropriate to submit a Supply Discrepancy Report (SDR) using procedures described in this chapter. TDR procedures do not apply to FMS materiel shipped to non-DoD consignees within the CONUS, e.g., FMS freight forwarders, customer country embassies etc., or carrier facilities identified in Notice of Availability (NOA) responses.

Different policies and procedures apply to prepaid shipments (DTCs 5 and H) and non-prepaid shipments (DTCs 4 and E) as follows:

- Prepaid shipments to these destinations, regardless of the funding source, involve a contractual relationship between a DoD/USG shipping activity and the inland CONUS carrier. The FMS customer (the consignee) cannot submit claims or tracing requests directly to the carrier. As a non-DoD/USG entity, the FMS customer cannot submit TDRs. For these reasons, the freight forwarder or the country representative will report these discrepancies to the DoD shipping activity with a letter or memorandum. The shipping activity will use these reports to initiate tracers or damage claims with the inland CONUS carrier. The proceeds from claims will be forwarded to the customer country's account held at DFAS-DE.
- Non-prepaid shipments can either be picked up at a CONUS shipping activity by freight forwarder/customer country-arranged transportation or they may be released by the shipper to the freight forwarder under a Collect Commercial Bill of Lading (CCBL). In either case, all requests for tracing actions or claims for damages must be submitted to the carrier by the FMS customer (the consignee). The shipping activity will not involve itself with the carrier in these actions.

All lost or damaged security assistance shipments, regardless of value or classification of the materiel, should be reported on a TDR when shipment is through the DTS. Damaged shipments made via ocean freight should be reported within one year of delivery. Damaged air freight shipments should be reported within fourteen days of delivery. Lost or missing shipments should be reported within 120 days from the date of the airway bill issue, which is not the same as the FMS customer's DD 645, *Quarterly Billing Statement*.

Submission of a TDR only serves to initiate a tracer for missing shipments and/or to report mishandling by the carrier. It does not provide financial compensation to the FMS customer. The customer must still submit a SDR to request compensation for loss or damage of materiel shipped via DTS. Since Section 5.1 of the LOA, Standard Terms and Conditions, indemnifies the USG of any liability or risk during shipment after passage of title, the TDR in conjunction with the SDR serves only as a means for the USG to file claims against the commercial carrier and collect damages for the FMS customer up to the value of the carrier's insurance coverage. The FMS customer will receive neither replacement materiel nor credit for the full value of the loss. FMS customers who are unwilling to accept this risk should consider purchasing commercial insurance for their DTS shipments.

Further guidance on TDRs can be found in DoD 4500.9-R, *Defense Transportation Regulation (DTR)*, Part II, *Cargo Movement*, Chapter 210.

Product Quality Deficiency Reports

The Product Quality Deficiency Report (PQDR) Program provides users with a method of reporting deficiencies in new or newly reworked materiel for the express purpose of obtaining corrective action and preventing recurrence. Item managers use PQDRs to justify freezing assets, purging system assets, or returning materiel to the contractor for repair or replacement. Foreign military sales customers are encouraged to submit on a SF 368, *Product Quality Deficiency Report*, to the item

manager or to a Technical Coordination Group (TCG) of which the FMS customer is a member. However, submission of a PQDR will not automatically give the customer any financial credit. The customer must still submit the Supply Discrepancy Report, SF 364, in order to obtain financial credit for discrepant materiel. DLA 4155.24, *Defense Logistics Agency Regulation (DLAR)*, provides further information on the submission criteria and use of the PQDR.

Financial Discrepancies

Financial discrepancies, may occur when the incorrect administrative or accessorial charges are recorded by DFAS-DE on the quarterly bill (e.g., charging a 2.5 percent administrative surcharge rather than 5 percent administrative surcharge for a FMSO I, or charging transportation costs for a working capital funded item). These discrepancies should be identified by the customer and submitted directly to DFAS-DE (except for U.S. Air Force FMS cases) in a letter format requesting correction. The supply discrepancy report form, SF 364 is not used for reporting financial discrepancies. The U.S. Air Force requires the financial discrepancy to be submitted to the Air Force Security Assistance Command (AFSAC). See the example SF 364 in Appendix 1. The following address should be used when submitting the financial discrepancy:

Defense Finance and Accounting Service-
Denver Center (DFAS-DE)
6760 E. Irvington Place
Denver CO 80279-2000

The Discrepancy Report

After completing the step-by-step review and process just outlined, the next action involves preparation of the Supply Discrepancy Report (SDR). Refer to Figure 15-1 for this process

Standard Form 364

The SF 364, *Report of Discrepancy*, is the primary management document used in reporting selected discrepancies. See Appendix 1 for a sample SF 364. The requirement for the FMS customer to submit reports of discrepancy on a SF 364 is included in the conditions of each sale agreement, FMS Letter of Offer and Acceptance (LOA), negotiated with the country.

The original and six copies of the SF 364 along with a copy of all applicable documentation should be forwarded to the ILCO of the military service managing the FMS case. Electronic submission of the SDR via Supply Tracking and Reparable Return / Personal Computer (STARR-PC), Navy e-Business Suite, AFSAC on-Line, the Security Cooperation Information Portal (SCIP) or some other electronic medium will speed up the investigation process, but the FMS customer must still follow-up the electronic submission with sufficient hard copy documentation to facilitate rapid and accurate resolution. Photographs of materiel, as received, which involve damaged or mislabeled materiel, should be attached as evidence to substantiate the claim. If available, other documents that should accompany the SF 364 include copies of the DD Form 1348-1A, *Issue Release/Receipt Document*; DD Form 250, *Materiel Inspection and Receiving Report*; any previously received status reports Bills of Lading drawings and any other related documents that support the SDR.

Supply Discrepancy Reports for other than transportation or financial discrepancies should be submitted to one of the following:

Navy Commanding Officer Navy Inventory Control Point ATTN: Code P753112 700 Robbins Avenue Philadelphia, Pennsylvania 19111-5098	Army U.S. Army Security Assistance Command ATTN: AMSAC-MM-CM (MidEast/Africa), or AMSAC-MA-CM (Asia/Pacific/Americas), or AMSAC-ME-CM (Europe) 54 M Avenue, suite 1 New Cumberland, Pennsylvania 17070-5096
Air Force AFSAC/COSD 5490 Pearson Road Wright-Patterson Air Force Base, Ohio 45433-5332	

Initial Edit

When a SF 364 (SDR) is received from an FMS customer, the receiving activity provides acknowledgement of receipt to the customer. The receiving activity then makes an initial edit of the SDR for proper format, and a second edit against the FMS management information system, Security Assistance Management Information System (SAMIS), Management Information System for International Logistics (MISIL), or Centralized Integrated System for International Logistics (CISIL). The ILCO has fifteen days to accomplish this initial processing. If correct, the SDR is recorded, entered into the processing system, and forwarded to the appropriate Inventory Control Point or shipping activity for further processing. The ICP/shipping activity has sixty days to research the SDR and provide evidence of shipment or delivery. If the initial edit by the ILCO reveals that the SDR was submitted in error, e.g., not in accordance with the conditions on the LOA or was submitted with insufficient information for processing, the SDR is rejected with the reason(s) indicated.

Resolution

Resolution of an accepted SF 364 normally requires a minimum of 120 days after receipt. Thus, the FMS customer will normally not receive any report of the final action taken until about four months after receipt of the SF 364 by the appropriate ILCO. If a customer's request for consideration under this procedure is denied by the MILDEP concerned, i.e., an unfavorable finding, the customer may request reconsideration by resubmitting the SDR within ninety calendar days of the denial. A copy of the original SF 364, annotated to indicate that it is a resubmission along with all supporting documentation, is resubmitted to the ILCO. The FMS customer should include a cover letter explaining why the original finding is thought to be incorrect. If the customer remains dissatisfied with the second response, the SDR may be resubmitted a third time within ninety days of the date of the second

response. A third submission is normally accomplished only if there is additional documentation to support the claim.

Final Action

When action is completed by the appropriate MILDEP on the submitted SF364 (SDR), the customer is advised of action taken using the reverse side of the returned SF 364. The appropriate MILDEP item manager or shipping activity of the Source of Supply is responsible for providing an SDR reply either by completing the reverse side of the SF 364 or providing comparable documentation and returning it to the ILCO.

When directed by the ILCO, DFAS-DE takes appropriate financial action on the customer account. Credit to the customer's FMS case is the normal resolution of a valid SDR. The billing statement furnished to the customer on a quarterly basis (DD Form 645) will reflect such financial adjustments.

Mandatory Defense Security Cooperation Agency Approval

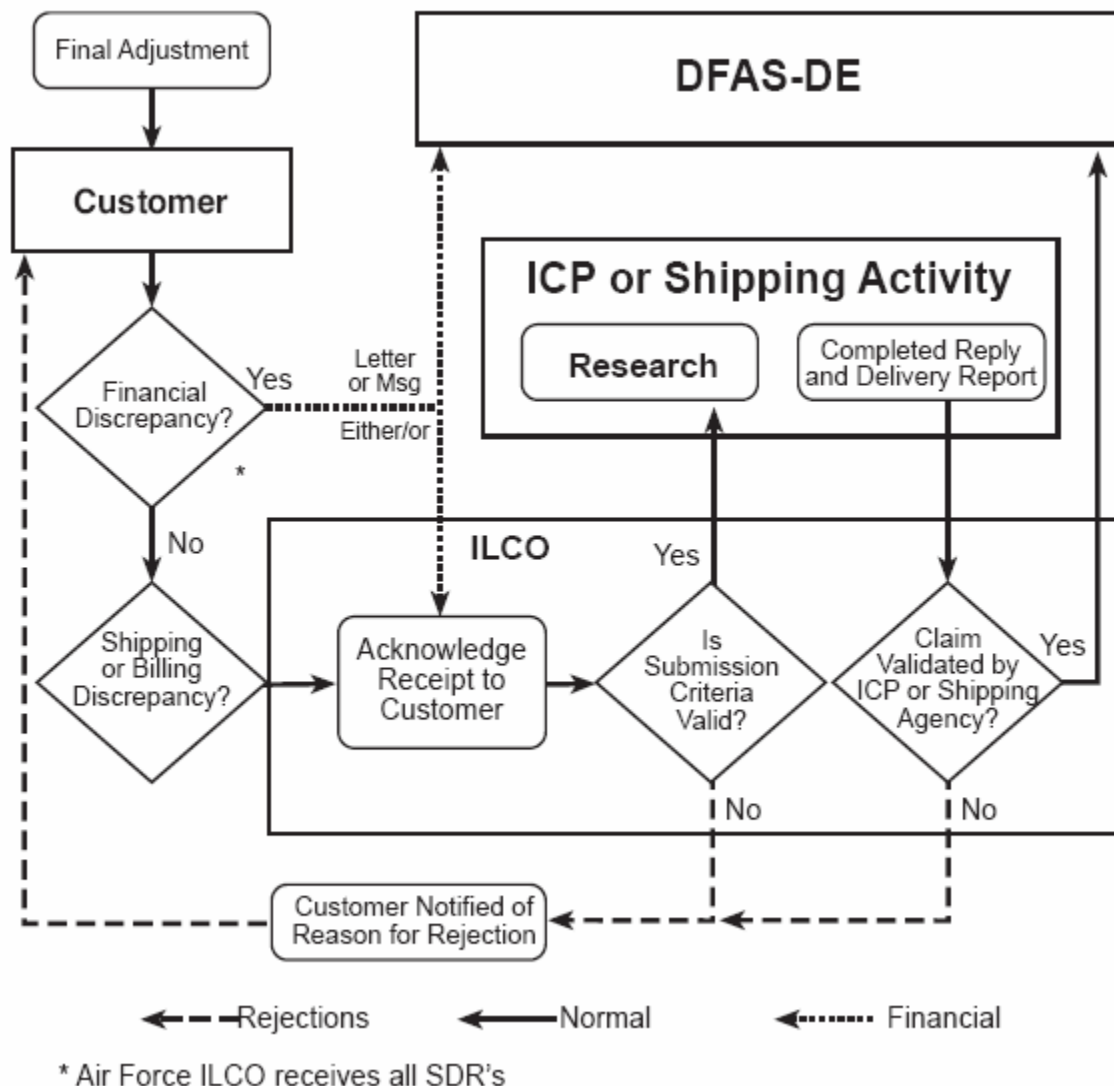
Defense Security Cooperation Agency (DSCA) approval of an SDR is required when:

- The implementing agency (IA) determines the U.S. government is liable for correction of the discrepancy under the terms and conditions of the LOA and recommends the use of FMS funds, and the value of the SDR is in excess of \$50,000, or;
- When the SDR involves an issue likely to be raised at DSCA or higher levels, such as treatment to one country which is not consistent with guidance provided in the *Security Assistance Management Manual (SAMM)* or other appropriate directives.

Materiel Returns

Whenever materiel is directed for return to U.S. custody, the purchasing country will be directed to reship the materiel using the same document number under which the materiel was originally shipped. The country will be advised that they must return the materiel to U.S. government custody within 180 days from date of approval at U.S. government expense using either DTS or a commercial carrier under contract to the DoD. Upon evidence of materiel being returned, a credit adjustment will be processed for the return of the discrepant materiel if previously authorized. This evidence releases the FMS customer of liability for the materiel.

**Figure 15-1
SDR Process**



FMS Transportation Reimbursement Policy

DSCA issued policy in 2003 that addressed a longstanding concern of FMS customers not having a process that allowed for reimbursement of transportation for discrepant materiel approved under an SDR. The policy covers SDR transportation reimbursement for the following:

- FMS items furnished by Defense Working Capital Fund (DWCF) activities.
- FMS items furnished by non-DWCF activities.
- Packing, Crating and Handling (PC&H) relating to FMS materiel.
- Local disposal relating to FMS materiel.
- Transporting repaired Items to the FMS customer.

It does not apply to items requested by the International customer via direct commercial sales (DCS), or for materiel at the FMS customer freight forwarder for disposition to a U.S. depot or contractor facility.

The SDR agency approving the transportation reimbursement must follow a checklist to ensure all reimbursement prerequisites are met. The policy allows for a reimbursement of between 3 and 5 percent of the billed amount. The reader can find more information by reading DSCA policy letter dated October 6, 2003, subject; FMS Supply Discrepancy Report (SDR) Transportation Reimbursement Policy (DSCA 03-15).

Summary

Because of the sheer number of FMS transactions and the worldwide distribution of the materiel involved, the opportunity for errors, differences, and discrepancies is ever present. In order to manage the discrepancy situation, a formal reporting system has been established using the Supply Discrepancy Report (SF 364).

There are three basic causes of discrepancies: misunderstanding, mishandling, or mistake. It is noteworthy that all of those involve some form of human activity. Of the three, mistakes caused by human error are by far the most prevalent cause of discrepancy.

SDRs are submitted through separate channels, depending on the type of discrepancy and the circumstances surrounding the SDR Reports pertaining to financial discrepancies (other than billing errors) are sent directly to DFAS-DE. Discrepancies are screened to determine if they are the responsibility of the carrier (such claims should be filed directly with the carrier) or shipper. If the shipper is at fault, an SF 364 is sent to the ILCO of the U.S. military department, which manages the FMS case under which the materiel was shipped. A billing discrepancy is also sent to the appropriate ILCO. Errors made by the carrier are not the responsibility of the U.S. government. These errors are normally reported directly to the carrier by either the FMS customer or the FMS customer's freight forwarder.

Recommended Readings

U.S. Department of Defense, Joint Regulation DLA 4140.55, AR 735-11-2, SECNAVINST 4355.18A, AFJMAN 23-215, *Reporting of Supply Discrepancies*.

U.S. Department of Defense, DoD 4500.9-R, *Defense Transportation Regulation*, Part II, *Cargo Movement*.

U.S. Department of Defense. DoD 7000.14-R, *Financial Management Regulation (FMR)*, Volume 15, *Security Assistance Policy and Procedures*

U.S. Department of Defense. DoD 4140.27-M, *Shelf Life Management Manual*.

U.S. Department of Defense. DoD 5105.38-M, *Security Assistance Management Manual (SAMM)*, Section C.6.4.9.

U.S. Department of the Army, Security Assistance Command (USASAC) Publication 12-1, *Security Assistance, International Logistics, Training, and Technical Assistance Support Policy and Responsibilities*.

U.S. Department of the Navy, Naval Supply Systems Command (NAVSUP) Publication 526, *Foreign Military Sales Customer Supply System Guide, Chapter 7*.